Vision and Priorities for the National Water Program

Section 1

WATER PROGRAM OVERVIEW

by

Assistant Administrator for Water

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Since being confirmed as Assistant Administrator for Water in October of last year, I have had the pleasure of visiting almost every EPA region to meet with EPA, State, and Tribal water program managers. I have had initial meetings with senior officials in other Federal agencies and with diverse interest groups. And I have worked with the water program staff here at Headquarters to move the National Water Program forward.

I am impressed by what the National Water Program has achieved and am looking forward to continued success. We have solid -- in some cases outstanding -- accomplishments in both the clean water and drinking water programs. We have strong, core statutory authorities in the Clean Water Act, Safe Drinking Water Act, and Marine Protection, Research, and Sanctuaries Act. The steadfast advocacy by Administrator Carol Browner for protecting the health of the American public has been instrumental in the success of our efforts to strengthen protection of the Nation's water resources and drinking water. With Administrator Browner's support, we have laid out a clear direction for the future -- described in the Clean Water Action Plan, the Safe Drinking Water Act amendments, and in our goals and objectives established under the Government Performance and Results Act. I am confident that the course laid out in these documents is right.

Accomplishing the ambitious agenda before us will require concentration, commitment, and cooperation. Some have suggested to me that we have set our sights too high; I might agree if the National Water Program did not have a long history of success. But, for over 25 years, the water program managers and staff in EPA, States and Tribes have made steady progress toward clean and safe water. We are a winning team; we have the know-how and the determination to deliver steady, even *dramatic,* improvements in the Nation's water quality to the American people within the foreseeable future.

In this Overview, I have described some of the key themes laid out in the Clean Water Action Plan and the Safe Drinking Water Act amendments and the specific actions that we will all be working on in the coming year to attain our clean water and drinking water goals.

I also have outlined some of my thoughts in three subject areas where I plan to focus a good deal of my attention over the next year to support your efforts:

-- improving our ability to describe the condition of the Nation's waters to the people of this country;

– building a consensus for expanded funding for clean and safe waters at all levels of

government; and

– strengthening protection of critical estuarine and coastal waters where the vast majority of Americans live and work.

I) CLEAN WATER

The Clean Water Act authorizes an essential set of core programs that are our foundation for protecting and restoring water quality. Effluent guidelines provide national, minimum discharge standards for over fifty major industries. Water quality standards provide goals for water quality restoration and protection. NPDES permits control discharges from over 100,000 pollution sources. State and local pretreatment programs assure that facilities discharging to sewers provide appropriate levels of waste treatment. Revolving loan fund programs in each State provide over $2 billion in financing for water pollution control projects each year and have an overall value of over $27 billion. The national wetlands program under section 404 of the Act is the primary defense of the nation's critical wetland resources.

In the Fall of 1997, EPA and other Federal agencies undertook to review clean water efforts and develop a coordinated plan to build on core clean water programs with a new commitment to action. In February of 1998, President Clinton announced the result of this cooperative effort -- a "Clean Water Action Plan." The Action Plan sets out clear goals for the National clean water program. But, it also has generated other benefits. It resulted in expanded State program grants. It provided a basis for new, cooperative relationships among diverse Federal agencies. It provided a forum for Federal, State, and Tribal governments to work together on clean water issues. And, it has helped rally public support for clean water programs. The Action Plan has given the clean water program a big boost -- we need to maintain the momentum in the coming years.

The four key themes articulated in the Clean Water Action Plan almost a year ago still provide sound guidance for the clean water program today.

-- **Watershed Approach** -- We are well on our way to building the new, cooperative effort to restore and sustain the health of rivers, lakes, costal waters and wetlands on a *watershed* basis envisioned in the Clean Water Action Plan.

-- **Strong Federal, State and Tribal Standards** – The Action Plan called for improving State and Tribal standards as a key step toward protecting public health, preventing polluted runoff and ensuring accountability.

-- **Natural Resources Stewardship** – Clean water depends on the conservation and

stewardship of the cropland, pasture, rangeland, and forests that are in private and public hands; Federal natural resource agencies are essential to this effort.

-- **Informed Citizens and Officials** – Accurate and timely information about the health of watersheds, beaches, fish, and drinking water is the foundation of a sound and accountable clean water program.

Over the past year, Federal, State, Tribal and local governments have made good progress implementing the ambitious agenda of over 100 action items described in the Clean Water Action Plan. Some key accomplishments include:

-- **Unified Watershed Assessments** – All States and Territories responded to the Action Plan call for a unified and integrated assessment of the condition of their watersheds.

-- **Draft Animal Feeding Operation Strategy** -- EPA and USDA jointly developed a strategy for reducing water pollution from animal feeding operations (AFOs) and conducted over a dozen listening sessions around the country.

-- **Interim Approval of All Coastal States Non-point Source Programs**. EPA and National Oceanic and Atmospheric Administration conditionally approved all 29 of the State Coastal Nonpoint Pollution Control Plans that were submitted.

-- **Nutrient Standards Strategy:** EPA has developed a strategy for developing nutrient criteria and standards that are tailored to specific needs of different kinds of water bodies and different natural conditions found around the country.

-- **Drinking Water Source Protection:** Federal agencies developed an agreement to coordinate efforts to provide assistance to States, Tribes and local governments in developing comprehensive assessments and protection plans for sources - rivers, lakes, and groundwater - that communities use for drinking.

-- **Beach Water Quality:** EPA has completed a Beach Action Plan to help guide local, State, tribal and federal efforts to improve beach monitoring programs.

– **Persistent Bioaccumulative Toxics Strategy and Mercury Action Plan:** Persistent, bioaccumulative, and toxic substances, including mercury, PCBs, and dioxin, pose serious dangers to ecosystems and public health. EPA has completed a draft strategy with the goal of virtually eliminating 12 of the most dangerous persistent, bioaccumulative, and toxic substances and has completed a draft plan to address the health and ecosystem threats posed by mercury.

Keeping the Nation's clean water program strong and effective over the next several years will require that we work together to maintain our momentum in implementing the Clean Water

Action Plan and that we continue the effective implementation of the core programs that are the foundation of the Action Plan. The specific details of much of this work are provided in the guidance and policy documents described later in this report. Although all this work is important, I will be paying special attention over the coming year to work in the following areas.

1) **Watershed Restoration Action Strategies and TMDLs** – As States complete workplans for new clean water grant funds, they will use Unified Watershed Assessments to identify impaired watersheds where they will develop Watershed Restoration Action Strategies in FY 1999 and 2000. In many cases, Watershed Restoration Action Strategies will be coordinated with the development of TMDLs for impaired waters. The Clean Water State Revolving Fund will support implementation of the Action Strategies. These Action Strategies are also an opportunity to integrate efforts to protect water quality with our work to protect sources of drinking water and wetlands. Federal agencies will support State efforts to restore watershed health in the identified watersheds.

   The development of site-specific strategies to restore the health of impaired waters and watersheds is a bold, new step for the National Water Program. It is essential that we support States in selecting watersheds for immediate attention and assist them in following-through with good, practical action strategies for integrating diverse program resources and authorities to restore watershed health. Having environmental projects underway in 350 impaired watersheds most in need of attention is one of our key annual performance goals for FY 2000.

2) **AFO Strategy** – This spring, EPA and USDA released a final, joint strategy for reducing water pollution from animal feeding operations. About 5% of these facilities (i.e. the largest facilities and those causing water pollution problems) will be subject to Clean Water Act permits. EPA will provide States with guidance and model permits for these facilities. It is critical that EPA Regions work with States to develop State-specific strategies for permit issuance with the goal of issuing CAFO general permits and selected individual permits this year.

3) **Stormwater Phase II –** In the Fall of this year, EPA will publish final regulations for control of stormwater runoff from municipalities and construction sites. Permits for these facilities will complement the stormwater permits now in effect for large cities and industrial facilities.

   These new permits for stormwater and AFO sources, in combination with ongoing efforts to reduce pollution from combined sewers (i.e. CSOs) and sanitary sewers (i.e. SSOs), will result in significant reductions in the conventional pollutants (e.g. sediment and nutrients) reported by States as the most common cause of today's water pollution problems. This work is critical to meeting our annual performance goal of reducing discharges of conventional pollutants by 388 million pounds per

year from the 1992 baseline.

4) **Smart Growth** – The adoption of "smart growth" policies and implementation of measures to preserve green space and other environmentally critical areas (e.g. riparian areas, wetlands) can have major benefits for water quality. Several national water program projects (e.g. TMDL regulations and stormwater regulations) have the potential to encourage "smart growth" policies.

   In addition, water programs need to play an active role in the supporting local efforts to develop plans for use of "Better America Bonds" recently proposed by President Clinton. This new bond initiative can provide a valuable new element of financial plans for watershed restoration and protection.

5) **Sanitary Sewer Overflows** -- About 40,000 times each year, sanitary sewers overflow and release raw sewage to streets and waterbodies. To address this problem, EPA plans to propose regulations to provide a clearer regulatory framework, including standard permit conditions. Headquarters will need strong support from Regions in developing and implementing this new effort.

6) **Permit Backlog** – The NPDES permit program is the backbone of our efforts to protect water quality and it is critical that we have appropriate and timely permits in place. However, permit reissuance backlogs are unacceptably high in many areas. We need to address this situation this year.

7) **Water Quality Standards Program Modernization** – Strong water quality standards that are based on sound science and reflect community involvement are critical to the clean water program.

   The Clean Water Action Plan also calls on EPA to publish guidance documents describing methods for the development of numeric criteria for nutrients, including target ranges applicable to different waterbodies and parts of the country. As numeric nutrient criteria are adopted into water quality standards, we will be better able to identify and address water pollution problems caused by nutrients and focus controls for sources of nutrients.

   EPA will also assure compliance with the Endangered Species Act, develop guidance to better prevent degradation of waters that are now clean, support improvement of water quality standards for Tribal waters, promulgate revised methods for developing human health water quality criteria, and work with States to complete formal adoption of State water quality standards.

8) **Upgrade State Nonpoint Pollution Control Programs** -- The Clean Water Action Plan calls for State to upgrade statewide programs for controlling nonpoint

pollution to include the nine key elements agreed to by EPA and States by the year 2000. In addition, the Action Plan also calls for final approval of State coastal nonpoint control programs by 2000. Strong programs for preventing nonpoint pollution are critical to the success of the clean water program.

9) **Protecting Water Resources in Indian Country –** This past October, we developed a new "Strategy for Protecting Public Health and Water Resources in Indian Country." Near-term priorities identified in the Strategy include establishing a tribal water program environmental presence and using a watershed approach assessing water conditions and implement response programs.

10) **Reinventing Clean and Safe Water Programs** – Water program offices will continue to support innovative approaches to reducing water pollution and assuring safe drinking water. For example, proposed regulations for the Total Maximum Daily Load (TMDL) program will encourage "effluent trading" as a way to meet clean water goals in a cost-effective manner.

II) SAFE DRINKING WATER

The Safe Drinking Water Act Amendments of 1996 provide both the impetus for substantial changes to the national drinking water program for EPA, States, Tribes, and water utilities and greater protection and information to the 250 million Americans served by public water systems. These changes set the course for the drinking water community (EPA, states, Indian tribes, water utilities) to prepare for and address future drinking water safety challenges and assure the sustainable availability of safe drinking water.

Four themes characterize the areas of greatest change. Together, they comprise a balanced, integrated framework of reform and a major national commitment to protect public health.

-- **Public Right to Know** -- The Amendments greatly increase the ability of the public to participate in drinking water protection decisions. We have worked hard to include all of the drinking water community in our rulemakings, and with our partners have produced major tools to keep the public well informed.

-- **Focusing on Contaminants of Greatest Risk** -- The Amendments emphasize the need for sound science and accurate data to support our regulatory decisions. EPA has strengthened its ability to produce quality rulemakings by increasing research and data collection, and by developing a process to identify the most harmful contaminants.

-- **Funding and Tools To States and Water Systems** – Funding from loans and set-

asides in the Drinking Water State Revolving Loan Fund (DWSRF) have allowed states and water systems to improve their ability to provide safe drinking water by upgrading, renovating, and modernizing their infrastructure. EPA has also developed many tools that increase states' flexibility in implementing health-based and program-related regulations.

-- **Pollution Prevention** – A major theme of the Amendments is the prevention of contamination of surface and ground water resources that serve as drinking water supplies. Through source water protection, we have made prevention the first step in the multiple barrier approach to drinking water protection.

In the past year, EPA and its partners have developed many tools that will lead to comprehensive drinking water protection. Some of these accomplishments include:

-- **Release of the Microbial and Disinfectants/Disinfection Byproducts Rules --** In November 1998, the President announced two major health-based regulations -- the Interim Enhanced Surface Water Treatment (IESWT) Rule and the Disinfectants/Disinfection Byproducts (D/DBP) rule. These rules are a direct response to the demonstrated public health effects of such incidents as the contamination of drinking water in the City of Milwaukee by *Cryptosporidium* in 1993 and the 1996 Amendments.

-- **Release of the Consumer Confidence Report Regulation --** In August 1998, the President announced the Agency's release of the Consumer Confidence Report (CCR) regulation, which will require water systems to provide their consumers with specific information about their drinking water supply. These CCRs are a centerpiece of the Administration's right-to-know activities and will be included on a new, geographic-based, Internet information site at www.epa.gov/safewater.

-- **Release of the Contaminant Candidate List --** The Contaminant Candidate List is the strategic blueprint for future drinking-water standard setting. It is a list of currently unregulated contaminants that are known or anticipated to occur in drinking water and will help focus efforts on contaminants of greatest risk.

-- **The Drinking Water State Revolving Fund --** All States have Drinking Water State Revolving Fund (DWSRF) programs in place and have received their initial (FY 97) capitalization grant and the majority of states have applied for their FY 98 grant. DWSRF funds support water systems' efforts to build, modernize or replace the infrastructure necessary to provide safe drinking water.

-- **Capacity Development Guidance --** Working with the Small Systems Working Group of the National Drinking Water Advisory Council, EPA developed a capacity development guidance that will assist States as they develop programs to

ensure that all water systems, especially small systems, have the technical, managerial, and financial capacity to provide safe water.

-- **Operator Certification Guidance --** EPA developed guidance to assist States as they develop operator certification programs to assure that all operators of public water systems, particularly small systems, have the competency to run and maintain safe, effective, and reliable water treatment plants.

While the 1996 SDWA Amendments authorize EPA, State, and water utilities requirements through 2005, over the next year we will be emphasizing those activities with a statutory deadline of FY 2000 and early FY 2001, as well as efforts that will augment and complement statutory requirements. These areas of emphasis include:

1) **The Drinking Water Academy --** We will assist states, tribes and territories in understanding new rule requirements and implementing these rules as well as new required guidelines. We will use our new Drinking Water Academy as a way to bring training on these activities to EPA regional staff, the states, Indian tribes and other interested parties.

2) **State Capacity Development Programs --** States will be developing and implementing programs to ensure that water systems have the capacity to comply with existing drinking water rules. Headquarters and the Regions will work with States as they develop their programs. Financial assistance for State capacity development activity is available through the Drinking Water State Revolving Funds. EPA has an annual performance goal that 91% of population served by community water systems will receive drinking water meeting all health based standards in place by 1994.

3) **Source Water Assessments --** High-quality source water assessments will provide needed data to states, water systems, and the public as they protect their water supply. EPA will work with Federal agencies and states to help States conduct these assessments, and to implement programs to protect their source water (including eliminating Class V high-risk shallow underground injection wells). Source water protection is the first step in a multiple barrier approach to drinking water protection.

4) **Increased Research and Data Collection --** We will strengthen and expand the science on priority contaminants for future regulation, identified in the Contaminant Candidate List (CCL), for which there is currently inadequate science and data upon which to base sound risk management decisions. The research needed includes health effects, exposure, analytical methods, and treatment. We will also expand data collection and analysis. The Agency must make decisions on whether or not to regulate at least five contaminants from the CCL by August 6,

2001. In addition, these science and data-oriented activities will help provide the basis for determining which contaminants to place on the next CCL (required to be published by February 2003).

5) **Data Reliability --** We will implement our data reliability action plan to ensure that data entered into the Safe Drinking Water Information System by public water systems is consistent, accurate and of the highest quality so that we can ensure the nationwide safety of our drinking water supplies.

6) **Unregulated Contaminant Monitoring Rule --** We need more data in order to make determinations on what if any new contaminants should be regulated. In the late summer EPA will release new requirements on unregulated contaminant monitoring that will provide us with much of this needed data, while reducing burden on water systems.

7) **National Contaminant Occurrence Data Base (NCOD) –** EPA will complete and implement the new National Contaminant Occurrence Data Base to give us occurrence information that we need to determine what contaminants pose the greatest health risk. This database will also be made available to the public.

8) **Class V Underground Injection Control Rule --** To reduce the risk of drinking water contamination from shallow injection wells, EPA will publish a rule on Class V wells in the summer. This rule will protect sources of drinking water from wells such as industrial disposal wells, service station wells, and large capacity cesspools.

9) **Public Notification Rule --** We will promote public information beyond consumer confidence reports by publishing revisions to the Public Notification Rule. This rule will require water systems to more quickly notify their customers if there is a serious threat to their drinking water supply.

III) BUILDING FOR THE FUTURE

The Clean Water Action Plan and the Safe Drinking Water Act Amendments provide the National Water Program with a challenging agenda. I am impressed with the work done over the past year and I am confident that we have the capacity to maintain our progress.

One of my jobs as Assistant Administrator is to provide National Water Program managers and staff with the tools and the resources needed to get this important work done.

Specifically, I will work over the next year in several areas--

-- improving information about the condition of waters;
-- building a consensus for increased funding of water programs; and
-- strengthening programs to protect coastal and estuarine waters.

Time and again, when the American people are asked what makes their community valuable, or "livable" they name water resources -- their local beach, lake, or river. Progress in each of these three areas will take us a big step closer to the broader, long term goal of "livable communities" in the 21st century.

A) Improving Information About the Condition of Waters

Fulfilling the public's Right-to-Know about environmental conditions and risks is an integral part of the Agency's mission. The Agency is making a major commitment to redesign our internal management structure to better meet the information demands of the 21st century. I am convinced that effective information management is key to successfully carrying out the Agency's mission and is particularly important for the National Water Program. We need to be sure that information necessary to improve and protect the nation's water resources and their uses is readily accessed, formatted for ease of use, supportive of management decisions, and is useful in measuring progress towards environmental goals.

In 1998, the Office of Water established a steering committee for information management, whose membership includes members of the Office of Water's senior management team, to plan for and guide OW's major investments in information and information technology. Earlier this calendar year, I chartered an Information Reinvention Work Group to develop an overall vision and action plan for how the Office of Water's information management program can support indicators to measure progress towards environmental goals, and define monitoring and other data needs that will: (1) help inform the decision making process, (2) provide the public with value-added information, and (3) draw on and contribute to the integrated picture of the environment, including trends over time.

The Work Group developed a set of recommendations in key areas such as Water Information Systems, data investments, data standards, data element registration, stakeholder involvement, and appropriate Office of Water staff information resource competencies. Implementation of these recommendations will be a high priority for FY2000 and beyond.

I have asked senior management to recommend how we can proceed with States, Tribes and other Federal agencies, and the public to achieve these recommendations. I expect to ask for significant Regional involvement in meeting these implementation challenges.

B) Assuring Adequate Funding for Clean and Safe Water

In the over 25 years since the enactment of the Clean Water Act, Federal, State, Tribal, and local governments have had a partnership for the financing of water pollution control projects. The partnership has resulted in dramatic increases in water pollution control and dramatic improvements in water quality. State clean water revolving loan funds, with a total value of over $27 billion, form the backbone of this financial partnership.

At the same time, the nature of the water pollution problems is changing and our tools and approaches to these problems (e.g. watershed protection/TMDLs) are evolving. Many of the programs were we have invested in comprehensive, site specific plans (e.g. the National Estuary Program) have generated an impressive list of projects that are ready to go today but lack funding. There is also a growing recognition that other Federal and State programs (e.g. buffers, land preservation) contribute to water pollution control and our new watershed approaches create opportunities to engage these other programs. In addition, new approaches to public financing (e.g. Better America Bonds) will expand our ability to implement diverse management tools.

We still need an intergovernmental partnership to finance water pollution control, but we need to review and, perhaps revise, how we as a Nation finance meeting our clean water and safe drinking water goals. An important related goal is assuring that Federal and State program managers have the resources they need to make the programs effective. EPA, States, and Tribes have begun the process of evaluating basic information about program and project costs. I want to expand this process to include a wider range of interested parties and to evaluate a wider range of possible options for the design of the clean water financial partnership over the next 25 years.

C) Strengthening Protection of Estuarine and Coastal Waters

Coastal waters are an important ecological, recreational, and economic resource – fifty percent of the population lives in coastal watersheds and coasts are the most common vacation destination. But our coasts are under severe pressure from development and related water pollution problems. Many coastal waters -- from the Gulf of Mexico “dead zone” to Long Island Sound, to Puget Sound -- are impaired by water pollution and need prompt attention. In addition, some of our most treasured and fragile marine resources, such as coral reefs, are at risk.

The Clean Water Action Plan outlines important steps to protect coasts, but I am convinced that we need to redouble our efforts to protect these fragile natural resources. Over the next several months, I will meet with marine scientists, Federal and State agency managers, and public interest organizations to identify actions that EPA and others can take to strengthen protection of estuarine and coastal waters.

I want to encourage everyone to think creatively about what we can do to both lay a strong foundation for long-term protection of critical coastal resources and to take specific actions to protect this resource in the near-term. For example:

-- could we make better use of existing statutory authorities (e.g. section 403 of the Clean Water Act)?

-- could we set up a process to identify and better protect critical habitat in estuarine and coastal waters?

-- could we do more coordinate the efforts of water quality, wetlands, and fisheries management professionals at the Federal, State and local levels? and

– how can we improve on and expand EPA and other inter agency protection of estuarine and coastal waters?

IV) Accounting to Congress and the American Public

As we continue to realize improvements in the Nation's waters, we must be accountable to the Congress and the American public for the environmental progress we are making. It is no longer enough to report how many rules we have developed, how many permits we have issued, how many loans we have granted, nor how much training and technical assistance we have provided. We must make the connection between the work we are doing and the environmental results that are being achieved. We must be able to report to the Congress and the American public the improvements in water quality and the protections in public health that result from the work that we and our partners undertake. Congress and the American public want to be assured that the dollars they are spending on the environment are producing environmental results in an efficient manner.

To enable the National Water Program to be accountable to Congress, the American public, and ourselves, we have worked to establish an efficient, value-added accountability system that facilitates planning, budgeting, managing, and decision-making based on strategic planning and environmental results. In designing this system, we have attempted to incorporate feedback from National Water Program staff and managers. Much of this system is reflected in the following sections of this guidance including strategic goals and objectives that focus on environmental results, a Management Agreement process for making commitments against annual performance goals and measures and against the Office of Water's Tribal Strategy, and mid-year and end-of-year reporting to evaluate the progress we are making and to help inform us about necessary adjustments we need to make.

We have made a lot of progress in establishing this system and moving ourselves toward managing and being accountable for environmental results. However, we still have important improvements to make in the coming months. We must improve our ability to measure outcomes on an annual basis, and, in our FY2001 Annual Plan and Budget, increase the number of annual performance goals and measures that reflect program and environmental outcomes while reducing the number that reflect program outputs. We will remain open to feedback from staff and managers on how to better improve this system and will work to make this system

integral to management and budget decisions in the National Water Program.